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SUBJECT: ANGOLA PROVINCIAL NOTES: IN LUNDA NORTH, DIAMONDS
ARE A TOWN'S ONLY FRIEND (PART 2 OF 3)

Classified By: CDA Francisco Fernandez for reason 1.4 (b) and (d)

¶1. (C) Summary: Residents in Caito, a small village in Lunda Norte province, faced with limited economic opportunities and no government assistance, have turned to the diamond trade as a means of survival. Village leaders tried to sell Emboffs diamonds during their visit, and stated that the police did not interfere with their small-scale diamond trade. The village remains impoverished and undeveloped despite this trade, but political activity and party representation in the village is robust and diverse. End summary.

¶2. (U) This cable is part two of a three part series on Lunda Norte province. Poloff visited Lunda Norte province from June 6-8th, 2007 with Dutch and British Emboffs. This cable focuses on village economic and political life; septels cover economic development, voter registration and human rights.

Village Life: Isolation and Underdevelopment

¶3. (SBU) Leaders and residents in Caito, a village of approximately 450 people, 37 miles south of the provincial capital of Dundo, expressed their frustration over the slow pace of reconstruction, saying that "nothing has changed" in five years of peace. Village residents fled to Dundo during the war and returned in 2002 to find the schoolhouse completely destroyed and the village's only other permanent structures - a small shop, a medical clinic, and a house - damaged beyond repair. Though the GRA encouraged them to return, they were not provided with resettlement assistance. The village lies on the province's main north-south road, but the road has not been maintained and becomes practically impassable during the rainy season. It took Emboffs almost two hours to travel the 37 miles to the village.

¶4. (U) Residents have slowly rebuilt their village of thatch and mud huts without government support. Leaders laid out their needs - a medical center, a school, and a house for their teachers. Residents must travel to Dundo for medical assistance, and no one in the village has a car or motorbike. Classes are currently held in the shell of a war-damaged building, and the village's five teachers live in one mud and thatch hut. The teachers confirmed that the state pays their salary, but that living conditions are so poor in the village that they often think of leaving. The village has no electricity and is far outside of cellphone range; its only contact with the outside world comes through passing trucks and Angolan National Radio.

Diamonds to the Rescue

¶5. (C) The villagers are generally unable to cultivate beyond the subsistence level and have limited means to move goods to market. With no other employment options, villagers have turned to the diamond trade as a means of survival. Village

garimpeiros (diamond prospectors) pan for diamonds in two nearby rivers; their area of activity is far from any concession areas and garimpeiros said that they do not have problems with police activity or harrassment. Though diamond prospecting outside of concession areas is illegal, diamonds are accepted for sale through middle men back to Endiama, the state diamond parastatal, with no questions asked. The lack of police presence, however, also facilitates trade outside official channels. The soba (village chief) tried to sell Emboffs rough diamonds during the visit, and was hopeful that a lasting trading relationship could be established. To his disappointment, the offer was declined.

¶6. (C) Villagers live in extreme poverty despite their diamond "cash crop" and have been unable to convert the proceeds into permanent housing or other long-term investments. High prices - a bag of cement costs four times more in Lunda Norte than in Luanda - and lack of transportation contribute to their continuing poverty. Village women told Polloff that they keep the village and its fields running, as the men are generally off panning for diamonds in nearby rivers.

Viva MPLA! Viva PRS! Viva UNITA!

¶7. (U) Though economic development is slow, political activity in the village is robust. Angolan, MPLA, PRS and UNITA flags adorn separate flagpoles, and the village is visited regularly by representatives from the various parties. Villagers laughed at questions about political tensions between the villagers affiliated with different parties, saying that people are free to choose and meet with their political parties. A voter registration brigade had already visited the village, and residents stated that all

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eligible voters had been registered.

¶8. (C) Comment: The diamond trade is necessary for the villagers' survival, a fact that is true for most rural villages in Lunda Norte. The lack of viable economic alternatives reflects the extent of development and rebuilding required in the province. The government's ability to monitor the diamond trade is clearly limited by the province's wide open spaces and lack of development, especially in non-concession areas. Economic desperation leads citizens to do business with all takers and go outside of the law as necessary to survive. Until they receive more government assistance or have other economic opportunities, villagers will see little reason and have no incentive to restrict their labor and trade to government channels. End comment.
FERNANDEZ